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## The climate criteria

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In 2014, a group of experts appointed by the Ministry of Finance submitted a report that, among other things, proposed establishing a new climate criterion in the guidelines for observation and exclusion. In February 2015, the Council submitted its views on this report to the Ministry of Finance. In several comments on subsequent consultation documents, the Council has stated its views to the Ministry on the wording and implementation of the climate and coal criteria.

On 1 January 2016, the guidelines for observation and exclusion were amended to include climate gas emissions. According to section 3 of the new guidelines, companies may be excluded from the fund or put under observation if they contribute to or are responsible for "... acts or omissions that, at an aggregate corporate level, lead to unacceptable climate-gas emissions". Norges Bank makes decisions relating to this criterion following the advice of the Council.

On 1 February 2016, a new product criterion relating to coal was included in the guidelines. Section 2 states that "*Mining companies or power producers that themselves, or consolidated with entities they control, receive 30% or more of their income from thermal coal, or that base 30% or more of their operations on thermal coal, may be put under observation or*

*excluded from the fund*". The responsibility for identifying the coal companies in question in the fund has been split between Norges Bank and the Council.

The Council has started the work of identifying the companies that "...at an aggregate corporate level, lead to unacceptable climate-gas emissions". The Council has obtained an overview of this topic, prepared a strategy for its work, acquired relevant software tools and established contact with relevant consultants. It has also consulted various professional environments in Norway that have made useful contributions to this work.

The Ministry of Finance would like the use of the climate criterion to be developed over time and wants the Council to interpret and develop the criterion. White Paper no. 21 (2014 – 2015) also assumes it will be expedient to place more emphasis on the emission intensity than the absolute emissions. The Norwegian parliament agreed to this proposal. The Council is to follow this up and will in the first phase of its work place particular emphasis on mapping the emission intensity in some industries that have considerable emissions.